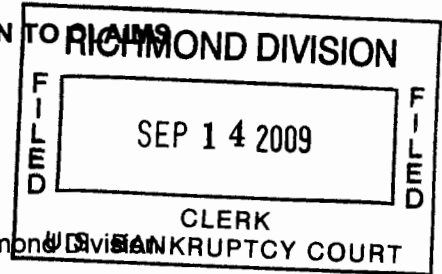


**RESPONSE TO DEBTORS' THIRTY-SIXTH OMNIBUS OBJECTION TO CLAIMS**

**DAVID W. PHILLIPS  
1815 HANOVER AVE.  
RICHMOND, VA 23220**



- a. United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division  
Chapter 11 - Circuit City Stores, Inc  
**Case No. 08-35653 (KRH)**  
Response to: DEBTORS' THIRTY-SIXTH OMNIBUS OBJECTION TO CLAIMS  
(DISALLOWANCE OF CERTAIN CLAIMS RELATING TO SHORT TERM INCENTIVE PLAN)

- b. Claimant: David W. Phillips  
The claim of \$10,781.10 is for money due for meeting the individual portion of the objectives set in the Short Term Incentive Plan. Specifically, the calculation is as follows:

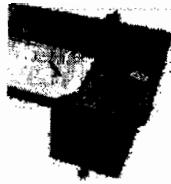
$\$98,010 \text{ (salary)} \times 20\% \text{ (bonus amount)} \times 50\% \text{ (individual portion)} \times 110\% \text{ (individual performance)} = \$10,781.10$

- c. In paragraph 13 the Debtors' correctly state "To be eligible to receive the individual portion of the STIP, an eligible employee had to be rated as 'meeting or exceeding expectations'". I have attached a copy of my personal goals, as well as a letter from my last manager stating my achievement of them.

In paragraph 15 the Debtors' state "No STIP bonus was made for any employee because the goals and objectives of the STIP were not met". This is false, I met all of my personal goals.

No notice of the plan's termination was sent to affected associates.

- d. Attached is a copy of my personal goals for the 2009 STIP.
- e. Attached is a letter from my last supervisor stating I achieved my personal goals. Due to time limitations the letter is not signed, but I can provide a signed copy at a future date if required.
- f. David W. Phillips  
1815 Hanover Ave.  
Richmond, VA 23220  
804-213-0083



**Renee West/HR/Circuit City**

05/15/2008 03:18 PM

Default custom expiration date  
of 08/13/2008

To Dave Phillips/Operations/Circuit City@Circuit City, Melissa  
Hagerman/HR/Circuit City@Circuit City

cc

bcc

Subject Accountabilities/Objectives - HRM

As promised. We can discuss once you've had a chance to review and digest. Go ahead and key objectives in PE document. Once we've agreed on accountabilites, I think we can key as well and make changes later. Thanks.

**Accountabilities:**

- 1. Creation of HR Strategy/Rhythms tailored to client group
  2. Organizational planning, Talent and Succession Management.
  3. Associate Relations
  4. Leadership/Management Coaching and Development
  5. Culture/Transformation needs assessment and audit.
  
- Develop, manage and maintain company policies and procedures
  - Advise management on appropriate resolution of associate relations issues
  - Partner/collaborate with staffing department on current/future openings
  - Implement and maintain associate and management training programs
  - Advise management on matters involving employment law, including workers compensation, EEO, ADA, FLSA, etc.
  - Evaluation and compensation management
  - Onboarding of new associates
  - Conduct employee exit interviews and analyze turnover trends
  - Maintain and build associate engagement
  
- Respect
  - Communicate and model behaviors that uphold the North Star
- Teach
  - advise client groups on appropriate company policies and procedures
  - develop, market and facilitate training
- Simplify
  - partner with client groups to help execute company initiatives such as PVM, new Compensation Structure, Performance Evals, Kenexa
  - one-stop resource for staffing, compensation, associate relations issues
- Engage
  - on-board new associates
  - conduct exit interviews and analyze turnover trends
  
- - Protect the company from liability by advising management on matters involving employment laws, including workers compensation, EEO, ADA, FLSA, etc.
  - Manage staffing with recruiters on current/future openings
  - Conduct Exit Interviews and analyze turnover trends
  - Maintain and build associate engagement
  - Onboarding of new associates
  - Implement and maintain associate and management training programs
  - Evaluation and compensation management
  - Advise management on appropriate resolution of associate relations issue
  
- - \* Partner with business on all operational aspects of HR
  - \* Proactively engage with Corporate partners (Benefits, Compensation, LOE, Staffing & Relocation) to enhance delivery to clients
  - \* Support the timely completion of associate investigations & unemployment hearings

- \* Partner with clients to execute performance management decisions
- \* ensure compliant processes and policies: new hires, terminations, promotions, & adjustments

## FY09 Objectives: HRM

### Objective 1

<u>Objective Type</u>	Associate
<u>Description of Objective/ Strategies</u>	<ul style="list-style-type: none"> <li>- Participates in Engagement Survey Action Planning with team</li> <li>- Understands the purpose of individual/team output and benefit for our customers and shareholders</li> <li>- Seeks opportunities to partner with other functions</li> <li>- Sets a positive example for others by consistently executing work responsibilities</li> </ul>
<u>Measurable Goals</u>	Rating definitions 5 = Consistently demonstrates all four and influences others to demonstrate all four 4 = Consistently demonstrates all four and influences others to demonstrate some 3 = Consistently demonstrates all four 2 = Demonstrates some, but does not consistently demonstrate all four 1 = Does not demonstrate some
<u>Actual Results</u>	<b>Associate:</b> <b>Reviewer:</b>
<div> <div>Focus Weight:</div> <div>Rating:</div> <div>Weighted Total:</div> </div>	

### Objective 2

<u>Objective Type</u>	Customer
<u>Description of Objective/ Strategies</u>	<ul style="list-style-type: none"> <li>- HR Partner Survey Results – 360 for clients – Zoomerang (quarterly) 5%</li> <li>- Targeted questions form Kenexa surveys - 5%               <ul style="list-style-type: none"> <li>· Training/Dev</li> <li>· Recognition</li> <li>· Personal Development</li> </ul> </li> </ul>
<u>Measurable Goals</u>	
<u>Actual Results</u>	<b>Associate:</b> <b>Reviewer:</b>
<div> <div>Focus Weight:</div> <div>Rating:</div> <div>Weighted Total:</div> </div>	

### Objective 3

<u>Objective Type</u>	Business
<u>Description of Objective/ Strategies</u>	<ul style="list-style-type: none"> <li>- Maintain appropriate Headcount budget for client groups</li> <li>- Compensation management within business units (exception reporting) – develop tracking system for pay increases               <ul style="list-style-type: none"> <li>· Compliance</li> <li>· Labor expense</li> <li>· All pay delivery guidelines</li> </ul> </li> </ul>
<u>Measurable Goals</u>	
<u>Actual Results</u>	<b>Associate:</b> <b>Reviewer:</b>
<div> <div>Focus Weight:</div> <div>Rating:</div> <div>Weighted Total:</div> </div>	

### Objective 4

<u>Objective Type</u>
<u>Description of Objective/ Strategies</u>
<u>Measurable Goals</u>

<u>Actual Results</u>	<b>Associate:</b>		
	<b>Reviewer:</b>		
<input type="checkbox"/> show more goals	<b>Focus Weight:</b>	<b>Rating:</b>	<b>Weighted Total:</b>

Objective weights total:	Total of weights should = 100; Example 50, 25, 25.
Results Total	Recalculate

Renee' M. West  
Director, Human Resources  
Store Support Center  
804/486-6940  
877/398-8097 (fax)

\*Relator - Achiever - Self Assurance - Maximizer - Belief\*

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September 10, 2009

This letter shall serve as confirmation that Dave Phillips has achieved the personal goals portion of his Performance Evaluation for FYE 2009.

Steve Saunders  
Former Director of Associate Relations